

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
OFFICE OF FINANCIAL AND INSURANCE REGULATION
Before the Commissioner of Financial and Insurance Regulation

In the matter of

XXXXXX

Petitioner

v

File No. 121020-001-SF

Blue Cross Blue Shield of Michigan
Respondent

Issued and entered
this 17TH day of October 2011
by R. Kevin Clinton
Commissioner

ORDER

I. PROCEDURAL BACKGROUND

On April 29, 2011, XXXXX (Petitioner) filed a request for external review with the Commissioner of Financial and Insurance Regulation under Public Act No. 495 of 2006, MCL 550.1951 *et seq.* Act 495 authorizes the Commissioner to conduct external reviews for state and local government employees who receive health care benefits in a self-funded plan. Under Act 495, the reviews are conducted in the same manner as reviews conducted under the Patient's Right to Independent Review Act, MCL 550.1901 *et seq.*

The Petitioner is a retiree of the State of Michigan and receives Medicare health care benefits. The Petitioner receives secondary health care coverage through the State of Michigan, a self-funded group. Blue Cross Blue Shield of Michigan (BCBSM) administers the benefit plan.

The issue in this external review can be decided by a contractual analysis. The Commissioner reviews contractual issues pursuant to MCL 550.1911(7). This matter does not require a medical opinion from an independent review organization.

II. FACTUAL BACKGROUND

On January 30, 2010, the Petitioner's appendix ruptured. At his request, the Petitioner was taken by ambulance from XXXXX to XXXXX Hospital in XXXXX, a distance of 56 miles. Medicare paid its approved amount for transportation to the nearest hospital which was XXXXX Hospital in XXXXX, 22 miles from XXXXX. Medicare denied the ambulance service's

\$510.00 charge for the extra 34 miles to Blodgett. The Petitioner sought secondary coverage from BCBSM for the extra mileage charge. BCBSM denied the claim. BCBSM held a managerial-level conference and issued its final adverse determination on March 8, 2011, affirming its denial of coverage.

III. ISSUE

Is BCBSM required to pay for the additional mileage associated with Petitioner's January 30 2010, ambulance service?

IV. ANALYSIS

The Petitioner states during his medical emergency when his appendix ruptured the closest facility was XXXXX Hospital in XXXXX. He believed XXXXX was too small and was ill-equipped to deal with his very serious emergency surgery so he requested to be taken to XXXXX Hospital. He argues the extra 34 mile ambulance ride to XXXXX was justified.

The benefit guide (p. 28) provides, "[a]mbulance services are covered if the destination is the nearest medical facility capable of treating the patient's condition."

Under the benefit guide, ambulance services are a covered benefit only to the nearest hospital capable of treating the Petitioner's condition. XXXXX Hospital was the closest hospital and no information was provided that established that XXXXX was incapable of treating Petitioner's condition.

Based on the provisions of the benefit guide, BCBSM paid the proper amount for the Petitioner's ambulance transportation.

V. ORDER

The final adverse determination of March 8, 2011, is upheld. Blue Cross Blue Shield of Michigan is not required to pay any additional amount for the Petitioner's ambulance transportation of January 30, 2010.

This is a final decision of an administrative agency. Under MCL 550.1915, any person aggrieved by this Order may seek judicial review no later than 60 days from the date of this Order in the circuit court for the county where the covered person resides or in the circuit court of Ingham County. A copy of the petition for judicial review should be sent to the Commissioner of Financial and Insurance Regulation, Health Plans Division, P.O. Box 30220, Lansing, MI 48909-7720.